

TEACHERS' RETIREMENT BOARD
BUDGETS AND AUDITS COMMITTEE

SUBJECT: School District Audits Follow-up
Status Report

ITEM NUMBER: 9

ATTACHMENT(S): 2

ACTION:

DATE OF MEETING: October 11, 2001

INFORMATION: X

PRESENTER(S): Way Lee

Similar to the quarterly follow-up procedures performed on our Internal Audits, we have taken steps to follow up on prior school district audits performed by the Office of Audits. The following two attachments describe the corrective action taken to resolve findings identified on prior school district audits. Attachment 1 identifies unresolved findings and attachment 2 identifies findings that are resolved with underlined text describing activities that took place during the last quarter. We do not include audit findings within the Follow-up Status Report until six months after the final audit report is issued.

UNRESOLVED SCHOOL DISTRICT AUDIT FINDINGS AND COMPLIANCE CASES AS OF SEPTEMBER 24, 2001

Auditee	Audit # / Audit Activity	Period Reviewed	Report Issue Date	Description of Finding/Observation	Resolution or Status of Finding/Observation	F/U Status
San Diego Community College District	D-99267 Defined Benefit Program: Post-Retirement Earnings	7/97 to 6/98	1/00	The District's payroll computer program erroneously excluded the reporting of post-retirement earnings for certain employees.	The District reported the post-retirement earnings for the two retired members noted in the audit report. CalSTRS has not taken any action to collect the overpayments.	A, C-d
Berkeley Unified School District	C-99450, Cash Balance Benefit Program (CBBP)	7/99 to 8/99	12/00	The District did not properly implement the CBBP and did not report or remit all CBBP employer and participant contributions to CalSTRS.	The District has not submitted contributions for the past several months. We will continue to work with the CBBP and school district as part of our follow-up.	A
San Joaquin Delta Community College District	Compliance Case C-2168	7/96 to 6/98	9/00	The District did not report creditable Post-Retirement Earnings.	Finding upheld on Executive Review. Member filed for Administrative Hearing.	P

LEGEND for F/U Status:

A – CalSTRS and School District's management concurred with finding

C-c – CalSTRS Management indicated corrective action has been taken

C-d—School District's management indicated corrective action has been taken

P - The School District or a member is appealing the finding

RESOLVED SCHOOL DISTRICT AUDIT FINDINGS AS OF SEPTEMBER 24, 2001

Auditee	Audit # / Audit Activity	Period Reviewed	Report Issue Date	Description of Finding/Observation	Resolution or Status of Finding/Observation	F/U Status
North Sacramento School District	D-99268 Defined Benefit Program	7/97 to 3/98	5/00	The District did not give its employees proper notification of the right to elect CalSTRS membership (CalSTRS Form MR 350).	We visited the District and determined that it was giving its employees the CalSTRS Form MR 350) as of July 1, 1999.	A, C-d,V, N

LEGEND for F/U Status:

A – CalSTRS and School District’s management concurred with finding

C-c – CalSTRS management indicated corrective action has been taken

C-d—School District’s management indicated corrective action has been taken

V - Office of Audits verified that appropriate corrective action has been taken by the District and CalSTRS

R - Internal Audit Director deemed that management’s corrective action is sufficient and does not require verification at this time

N - No further follow-up required at this time